

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
BROWNSVILLE DIVISION

IN RE: § § CASE NO. 20-10288
GREGORIO TREVINO and § § (CHAPTER 11)
MARIA CARMEN TREVINO § § JUDGE EDUARDO V. RODRIGUEZ
Debtors

DEBTORS' EXPEDITED MOTION FOR USE
OF CASH COLLATERAL; REQUEST FOR TEMPORARY RELIEF;
AND REQUEST FOR A FURTHER HEARING ON USE OF CASH COLLATERAL AND
MOTION FOR EXPEDITED HEARING BR 2002

THIS MOTION SEEKS ENTRY OF AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN TWENTY-ONE (21) DAYS FROM THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF REQUESTED MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THIS MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

EXPEDITED RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EXPEDITED OR EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EXPEDITED OR EMERGENCY CONSIDERATION IS NOT WARRANTED; YOU SHOULD FILE AN IMMEDIATE RESPONSE.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE JUDGE EDUARDO V. RODRIGUEZ:

Debtors-in-Possession GREGORIO TREVINO and MARIA CARMEN TREVINO, (collectively, the "Debtors"), file this Expedited Motion for Interim Order Authorizing the Use of Cash Collateral; Request for Temporary Relief; and Request for a Further Hearing on Use of Cash Collateral ("Motion"), pursuant to 11 U.S.C. §363(c)(2), and in support of the Motion, the

Debtor respectfully shows as follows:

A. Introduction

1. On December 23, 2020,(the“Petition Date”), Debtors filed a voluntary petition (the “Petition”) for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §101 et seq. (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Southern District of Texas, Brownsville Division (the “Court”).

2. As of the Petition Date, Debtors have continued in possession of their property and operation of Debtor Gregorio Trevino’s law practice as Debtors-in-Possession, pursuant to 11 U.S.C. §1107 and §1108. This Court has not appointed a Trustee or Examiner no has an official committee been established in this Chapter 11 proceeding.

3. The Court has jurisdiction over this case pursuant to 28U.S.C. §1334. This is a core proceeding under 28 U.S.C. §157. Venue of this case proper in this district pursuant to 28 U.S.C. §1408.

B. Background

4. Prior to the commencement of this proceeding, Debtor Gregorio Trevino was Engaged, and continues to be engaged in his law practice.

5. Debtor’s business includes accounts receivable, pending possible attorney fees from existing cases, supplies, and office equipment, all of which are believed to be subject to security interests and liens granted by Debtor to various creditors listed in its bankruptcy schedules (the “Cash Collateral”). Specifically, the Internal Revenue Service (“IRS”) holds a Case secured federal tax lien of approximately \$530,570 secured by all of Debtor’s assets (the “FTL”).

6. The Debtors do not have sufficient unencumbered cash or other assets with which to continue to operate the law practice in Chapter 11. The Debtors require immediate authority to use Cash Collateral, as defined herein, in order to continue its business operations and reasonable

living expenses without interruption toward the objective of formulating an effective plan of reorganization. Debtors' use of Cash Collateral, to the extent and on the terms and conditions set forth herein, is necessary to avoid immediate and irreparable harm to the estate. The amount of Cash Collateral authorized to be used is not to exceed the amounts reflected in the Debtor's budget, attached as Exhibit "A" and incorporated herein for all purposes (the "Cash Collateral Budget").

C. Relief Requested

7. The funds generated in the ordinary course of Debtor's law practice constitute Cash Collateral as that term is defined in 11 U.S.C. §363 . Debtors request the use of the Cash Collateral on an interim basis and requests further hearing for the Court's determination of this request.

8. Specifically, the Debtor seeks authorization to use Cash Collateral to meet the ordinary cash needs of the Debtors (and for such other purposes as may be approved in writing by the Secured Creditors) for the payment of:

- a. reasonable and necessary operating expenses of the law practice;
- b. Debtors' reasonable and necessary living expenses;
- c. maintenance and preservation of property of the estate;
- d. property taxes; and
- e. payment of expenses associated with this Chapter 11 case, including United States Trustee's fees and professional fees and expenses.

9. The Debtor agrees to granting the IRS, as applicable and necessary, a replacement lien on all inventory and accounts receivable acquired by the Debtor since the Petition Date, and Debtor hereby ratifies and confirms the FTL filed on the Debtor's accounts and fixtures perfected by the IRS prior to the Petition Date and affirms that such lien and

replacement lien shall continue until further Order of this Court or confirmation of a Plan of Reorganization.

D. Arguments and Authorities

10. Pursuant to 11 U.S.C. §363(c)(2), Debtors may not use, sell or lease Cash Collateral unless each entity that has an interest in such Cash Collateral consents or, the Court, after notice and hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.

11. Section 361 addresses adequate protection payments. Specifically, 11 U.S.C. §361 provides: "When adequate protection is required under section 362, 363, or 364 of this title of an interest of an entity in property, such adequate protection may be provided by--

- (1) requiring the trustee to make a cash payment or periodic cash payments to such entity, to the extent that the stay under section 362 of this title, use, sale, or lease under section 363 of this title, or any grant of a lien under section 364 of this title results in a decrease in the value of such entity's interest in such property;
- (2) providing to such entity an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of such entity's interest in such property; or
- (3) granting such other relief, other than entitling such entity to compensation allowable under section 503(b)(1) of this title as an administrative expense, as will result in the realization by such entity of the indubitable equivalent of such entity's interest in such property.

12. The revenue from the operation of Debtor Gregorio Trevino's law practice (the "Law Office") is the Debtors' only source of income. If Debtors are not permitted to use those funds to manage, maintain and operate the Law Office, they cannot exist.

13. Specifically, Debtor requests the use of the Cash Collateral to continue operating the Law Office and maintain their reasonable living expenses, by paying those expenses listed in Exhibit "A" will effectively result in: (i) the maintenance and preservation of the Bankruptcy Estate; and (ii) provide the foundation for Debtor's successful reorganization.

14. Debtors must have a preliminary hearing on this Motion to avoid the loss of its ability to manage and maintain the Law Office and maintain their reasonable living expenses.

15. In the event Debtors are authorized to use such Cash Collateral, lien holders are adequately protected by the value of the Law Office and the cash payments. Debtors will provide continuing post-petition liens to the lienholders to the extent the lienholders have valid pre-petition security interests in the cash collateral.

E. Motion for Hearing and Request to Shorten BR 2002 Deadline to Respond or Object

16. Debtor respectfully requests expedited relief so this Motion may be heard on Friday, January 29, 2021 at _____. Debtor would like to preserve its resources by seeking the Court's consideration of this matter because the Debtor needs the use of funds to operate his business with the other pending motions-to eliminate the need for additional or different hearing dates.

17. Accordingly, Debtors requests that the notice and deadline for responses and objections, pursuant to Federal Rule of Bankruptcy Procedure 2002, be shortened to eight (8) days Specifically, January 27, 2021 and, schedule the hearing on this Motion for January 29, 2021 at _____ (Central Standard Time) (*via "Telephonic and Video Participation is available"*) at the United States Bankruptcy Courtroom, TX 78520

F. Prayer

FOR THESE REASONS, Debtors respectfully requests that this Court enter an Order for Use of Cash Collateral authorizing Debtors' continued use of cash collateral and management of the Law Office and maintenance of their reasonable living expenses, based on the 90-day Case projected budget reflected in Exhibit "A", and for such other and further relief as is just and equitable.

January 20, 2021

Respectfully submitted
The Law office of Christopher Lee Phillippe
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BY: /S/ Christopher Lee Phillippe
Christopher Lee Phillippe

Email: clphilippe@cameroncountylawyer.com
ATTORNEY FOR DEBTOR IN POSSESSION

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Debtors' Expedited Motion for Use of Cash Collateral; Request For Temporary Relief; and Request For a Further Hearing on Use of Cash Collateral was served on the 20th day of January 2021, on all parties and counsel of record in the manner indicated below.

/s/ Christopher Lee Phillippe
Christopher Lee Phillippe

U.S TRUSTEE:

Stephen Statham
606 N. Caranchua, Ste. 1107
Corpus Christi, Texas 78401
Email: stephen.statham@usdoj.gov

DEBTOR

Gregorio Trevino
105 E. Moore Rd.
San Juan, TX 78589
and
Maria Carmen Trevino
105 E. Moore Rd.
San Juan, TX 78589

And all other Creditors on the Matrix

Ocwen Loan Servicing, LLC Attn: Research Dept. 1661 Worthington Rd, Ste 100 West Palm Beach, FL 33409 Via U.S.P.S. First Class Mail	Internal Revenue Service Centralized Insolvency Operation P O Box 7346 Philadelphia, PA 19101
Internal Revenue Service 300 E. 8th St. STOP 5026AUS Austin, TX 78701 Via U.S.P.S. First Class Mail Texas	Internal Revenue Service 300 E. 8th St. STOP 5026 AUS Austin, TX 78701
Comptroller of Public accounts P O Box 13528 Austin, TX 78711-3528 Via U.S.P.S. First Class Mail	LVNV Funding, LLC its successors and assigns as assignee of FNBm, LLC Resurgent Capital Services PO Box 10587 Greenville, SC 29603-0587
Texas Workforce Commission P O Box 1298 McAllen, TX 78505 Via U.S.P.S. First Class Mail	Mabt - Genesis Retail Po Box 4499 Beaverton, OR 97076
Affirm Inc 633 Folsom St Fl 7 San Francisco, CA 94107	Midland Funding Attn: Bankruptcy PO Box 939069 San Diego, CA 92193
Afni 1310 Martin Luther King Dr Bloomington, IL 61701	Navient Solutions, LLC on behalf of Department of Education Loan Services PO BOX 9635 Wilkes-Barre, PA 18773-9635
Cavalry Portfolio Services ATTN: Bankruptcy Dept. 500 Summit L Valhalla, NY 10595	OCWEN LOAN SERVICING, LLC ATTN: BANKRUPTCY DEPARTMENT P O BOX 24605 WEST PALM BEACH, FL 33416-4605
Cavalry SPV I, LLC 500 Summit Lake Drive, Ste 400 Valhalla, NY 10595	Ocwen Loan Servicing Llc Attn: Research Dept 1661 Worthington Rd Ste 100 West Palm Beach, FL 33409
Chamberlain-Hrdlicka 112 E. Pecan Street 1450	Portfolio Recovery

San Antonio, TX 78205	PO box 41067 Norfolk, VA 23541-1067
Comenity Bank/Avenue PO Box 182125 Columbus, OH 43218	Portfolio Recovery Associates, LLC POB 12914 Norfolk VA 23541
Comenity Bank/ctpr&bks PO Box 182125 Columbus, OH 43218	Premier Bankcard, Llc Jefferson Capital Systems LLC Assignee Po Box 7999 Saint Cloud Mn 56302-9617
Comenity Capital Bank/HSN PO Box 182125 Columbus, OH 43218	Quantum3 Group LLC as agent for Comenity Bank PO Box 788 Kirkland, WA 98083-0788
Comenitbank/venus Comenit Bank PO Box 182125 Columbus, OH 43218	Quantum3 Group LLC as agent for Comenit Capital Bank PO Box 788 Kirkland, WA 98083-0788
Comenitbank/woman W 4590 E Broad St Columbus, OH 43213	Quantum3 Group LLC as agent for Sadino Funding LLC PO Box 788 Kirkland, WA 98083-0788
Compass Bank Attn: Bankruptcy PO Box 10566 Birmingham, AL 35296	Revl Per Mng Attn: Collections/Bankruptcy PO Box 1548 Lynnwood, WA 98036
Comptroller of Public Accounts C/O Office of the Attorney General Bankruptcy - Collections Division MC-008 PO Box 12548 Austin TX 78711-2548	Rio Grande Regional Hospital Resurgent Capital Services PO Box 1927 Greenville, SC 29602
Credit One Bank Na PO Box 98873 Las Vegas, NV 89193	Synchrony Bank/Amazon Attn: Bankruptcy PO Box 103104 Roswell, GA 30076
Dept Of Ed/Navient Attn: Claims Dept	

P.O. Box 9635 Wilkes-Barr, PA 18773-9635	Synchrony Bank/QVC GE Credit Retail Bank/Attn: Bankruptcy PO Box 103104 Roswell, GA 30076
Deville Mgmt 1132 Glade Road Colleyville, TX 76034	Texas Comptroller of Public Accounts P.O. Box 13528 Austin, TX 78711-3528
Dynamic Recovery Solution 135 Interstate Blvd Suite 6 Greenville, SC 29615	Texas Workforce Commission PO Box 1298 McAllen, TX 78505
Emergency Savings Fund	TEXAS WORKFORCE COMMISSION REGULATORY INTEGRITY DIVISION - SAU 101 EAST 15TH STREET, ROOM 556 AUSTIN, TX 78778-0001
First Premier Bank 601 N. Minnesota Ave Sioux Falls, SD 57104	U.S. Bank Trust National Association, as Trustee of Cabana Series III Trust c/o BSI Financial Services 1425 Greenway Drive, Ste 400 Irving, TX 75038
First Premier Bank 601 S Minnesota Ave Sioux Falls, SD 57104	
Focus Receivables Mana 1130 Northchase Parkway Suite 150 Marietta, GA 30067	
Hidalgo County c/o Diane W. Sanders Linebarger Goggan Blair & Sampson, LLP P.O. Box 17428 Austin, TX 78760	